REMARKS

This Amendment and Response is fully responsive to the Non-Final Office Action dated December 9, 2003. Accordingly, this Amendment and Response is timely. Though Applicants do not believe that any fee is necessary, the Commissioner is hereby authorized to charge or credit the Deposit Account No. 12-1322 of Locke Liddell & Sapp LLP under Order No. 64423-00031. In light of the foregoing remarks, the claims of the application have been distinguished over the cited references.

Claims in Application.

Claims 1-22 are active in this application. Claims 1-22 were rejected. The Applicants have amended Claims 5, 12, 19-20, and 22. Reconsideration is respectfully requested.

Objection of FIG. 65.

The Examiner has objected to the reference to FIG. 65 in the Specification as filed. FIG. 65 was not included at the time of filing. All references to FIG. 65 have been removed from the Specification and no new matter has been entered by this action. To prevent ambiguity, instructions to cancel FIG. 65 from the drawings are also included. Should the Examiner instruct a renumbering of the Figures presented, the Applicants will comply. Reconsideration is respectfully requested.

Rejection under 35 U.S.C. § 112, Second Paragraph.

The Examiner has rejected Claims 12 and 19-22 under 35 U.S.C. § 112, Second Paragraph as being indefinite. Claims 12 and 19-20 have been amended. Of note, the Specification explains that the stand-alone digital authentication service for third parties independent of the functions of the Smarte PayTM infrastructure. *See* p. 13, ll. 19-20 Reconsideration is respectfully requested. The amendments to Claims 19-20, which affects the dependent claims thereto, clarifies the definiteness of the claims. The reference to JavaTM has been removed from Claim 5, however those skilled in the art will recognize that this claim encompasses JavaTM based applications. Reconsideration is respectfully requested.

Rejection under 35 U.S.C. § 101.

The Examiner has rejected Claims 19-21 under 35 U.S.C. § 101. Of note, the Specification explains that the stand-alone digital authentication service for third parties independent of the functions of the Smarte PayTM infrastructure. See p. 13, Il. 19-20 Reconsideration is respectfully requested. The amendments to Claims 19-20, which affects the dependent claims thereto, clarifies that these claims fall within statutory subject matter. Reconsideration is respectfully requested.

Rejection of Claims under 35 U.S.C. § 102(e).

Claims 1-2, 4, 7, 12, 15, and 18-21 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,125,352 ("Franklin"). To anticipate a claim, a prior art reference must disclose every limitation of the claimed invention either explicitly or inherently. In re Schreiber, 128 F.3d 1473, 1477 (Fed. Cir. 1997). For the following reasons, reconsideration is respectfully requested.

Franklin does not comprise a central system. As defined by example in the Specification, a central system "serves as a true interface to the Seller's existing systems. It is based on a series of platform-independent applications that are custom configured at Seller sites." See, e.g., p. 10, ll. 15-16, Claims 1-18. In contrast, the Examiner has identified element 102 of FIG. 1 of Franklin as this element. Element 102 is a consumer computer. Additionally, Franklin does not disclose a unified shopping cart as required by the claims of the present invention. See Claims 1-22. The unified shopping cart as claimed "provides the same look and feel across different Seller sites." See, e.g., p. 10, ll. 23-24. In contrast, the shopping cart of Franklin discloses the identification of the merchant, thus not providing the unified element of the claims as presented. For these reasons, Franklin does not anticipate the claims of the present invention.

Examiner's Rejection of Claims under 35 U.S.C. § 103(a).

Claim 16.

The Examiner has rejected Claim 16 under 35 U.S.C. § 103(a) as being unpatentable over Franklin. Franklin teaches a system of identifying merchants and thus providing a non-unified shopping cart. Moreover, Franklin teaches consumer computer 102 in lieu of a central system. A prior art reference may be considered to teach away when "a person of ordinary skill, upon

reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant." *In re Gurley*, 27 F.3d 551, 553 (Fed. Cir. 1994). For the reasons stated above, a person of ordinary skill would be discouraged from the central system as claimed or the unified shopping cart as claimed. For these reasons, *Franklin* does not teach Claim 16.

Claim 3.

The Examiner has rejected Claim 3 under 35 U.S.C. § 103(a) as being unpatentable over Franklin in view of U.S. Patent No. 6,336,104 ("Walker"). When considering an obviousness rejection, the Examiner cannot "pick and choose among the individual elements of assorted prior art references to recreate the claimed invention," but rather, the Examiner must look for "some teaching or suggestion in the references to support their use in the particular claimed combination." See SmithKline Diagnostics, Inc. v. Helena Lab. Corp., 859 F.2d 878, 887 (Fed. Cir. 1988). Walker does not cure the deficiencies of Franklin. Walker contains no reference to, much less a teaching of, either shopping carts or the central system of the present invention. Therefore, Walker does not teach a person of ordinary skill to use the central system as claimed or the unified shopping cart as claimed and does not cure Franklin's teaching away effect. Reconsideration is respectfully requested.

Claims 5-6, 11, and 22.

The Examiner has rejected Claims 5-6, 11, and 22 under 35 U.S.C. § 103(a) as being unpatentable over *Franklin* in view of U.S. Patent No. 6,125,352 ("*Downs*"). Though *Downs* teaches a non-unified shopping cart, *Downs* fails to teach the unified shopping cart or the central system of the present invention. Therefore, *Downs* also does not teach a person of ordinary skill to use the central system as claimed in Claims 5-6 and 11 or the unified shopping cart as claimed in Claims 5-6, 11, and 22 and does not cure *Franklin*'s teaching away effect. Reconsideration is respectfully requested.

Claims 8 and 13-14.

The Examiner has rejected Claims 8 and 13-14 under 35 U.S.C. § 103(a) as being unpatentable over *Franklin* in view of U.S. Patent No. 6,154,738 ("Call"). Call only teaches the SoftCart system, which is not a unified shopping cart. As with *Franklin*, Call does not teach a person of ordinary skill to use the central system as claimed or the unified shopping cart as

claimed in Claims 8 and 13-14 and does not cure *Franklin*'s teaching away effect. Reconsideration is respectfully requested.

Claim 9.

The Examiner has rejected Claim 9 under 35 U.S.C. § 103(a) as being unpatentable over Franklin in view of U.S. Patent No. 6,332,134 ("Foster"). Foster only teaches a non-unified shopping cart referred to as exemplary electronic shopping cart 1400. As with Franklin, Foster also does not teach a person of ordinary skill to use the central system as claimed or the unified shopping cart as claimed in Claim 9 and does not cure Franklin's teaching away effect. Reconsideration is respectfully requested.

Claim 10.

The Examiner has rejected Claim 10 under 35 U.S.C. § 103(a) as being unpatentable over Franklin in view of U.S. Patent No. 6,298,348 ("Eldering"). Eldering is silent as to any shopping cart or central system. As with Franklin, Eldering also does not teach a person of ordinary skill to use the central system as claimed or the unified shopping cart as claimed in Claim 10 and does not cure Franklin's teaching away effect. Reconsideration is respectfully requested.

Claim 17.

The Examiner has rejected Claim 10 under 35 U.S.C. § 103(a) as being unpatentable over Franklin in view of U.S. Patent No. 6,615,264 ("Stoltz"). Stoltz does not teach any shopping cart or central system. As with Franklin, Stoltz also does not teach a person of ordinary skill to use the central system as claimed or the unified shopping cart as claimed in Claim 17 and does not cure Franklin's teaching away effect. Reconsideration is respectfully requested.

CONCLUSION

For the stated reasons, reconsideration is respectfully requested. Though the Applicants do not believe that any fee is necessary, the Commissioner is hereby authorized to charge or credit the Deposit Account No. 12-1322 of Locke Liddell & Sapp LLP under Order No. 64423-00031. In light of the foregoing remarks, the claims of the application have been distinguished over the cited references. The Examiner is requested to contact the undersigned at (713) 226-1218 should he deem it necessary to advance the prosecution of this application.

DATED: March 9, 2004

Respectfully submitted,

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CERTIFICATE OF TRANSMISSION UNDER 37 C.F.R. § 1.08

I hereby certify that this correspondence is, on the date shown below, being transmitted to the Mail Stop Non-Fee Amendment, Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450.

DATED: March 9, 2004

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